



## **POLICY MANUAL**

This manual shall serve as the guidelines used to implement various policies as set forth in the MBI bylaws, and/or as approved by the MBI Board of Directors. Any board actions not specifically covered in the bylaws shall be governed by this document. This document may be changed by a majority vote of the board of directors present at any regularly scheduled meeting where a quorum (as defined in the bylaws) is established or any special meeting, whether in person or by teleconference, called for the purpose of changing this manual.

### **Board Member Pledge**

#### **RESPONSIBILITIES OF A BOARD MEMBER**

- Know and effectively articulate the mission, purpose, goals, policies, and programs of MBI.
- Attend board meetings and committee meetings as scheduled.
- Chair and/or participate in at least one committee or council.
- Commit time, thought, and effort to MBI.
- Participate in establishing and enforcing organizational policies.
- Accept responsibility for oversight of MBI financial accountability.
- Make an annual financial contribution to Foundation activities according to personal means.
- Identify friends and associates who might be prospective members or volunteers.
- Support and advise the chief executive as appropriate.
- Participate actively in assessing MBI's performance and setting its strategic goals and objectives.
- Represent MBI to the community.
- Invite MBI staff to speak at group meetings you attend.
- Avoid conflicts of interest.
- Maintain confidentiality of all MBI board meetings.

In this capacity, you are representing the industry, not your individual company. Your actions and comments may be viewed by others as representing the industry (implied authority). On matters concerning the industry, the MBI Executive Director is the spokesperson. In his absence, the board president speaks for the industry.

## MBI CONFLICT-OF-INTEREST POLICY

Employees and board members have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which MBI wishes its business to operate. The purpose of these guidelines is to provide general direction so that board members and employees can seek further clarification on issues related to the subject of acceptable standards of operation.

An actual or potential conflict of interest occurs when a board member or an employee is in a position to influence a decision that may result in personal gain or gain for a relative as a result of MBI's business dealings. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the board member or employee is similar to that of persons who are related by blood or marriage.

No presumption of a conflict is created by the mere existence of a relationship with outside firms. However, if a board member or an employee has any influence on any material business transactions, it is imperative that he or she discloses to an officer of the organization as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where a board member, an employee, or a relative has a significant ownership in a firm with which MBI does business, but also when a board member, an employee, or a relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving MBI.

## ANTITRUST POLICY STATEMENT

In recognition of the fact that the Modular Building Institute (MBI) is a trade association representing competitors, all members are required to follow the antitrust laws involving all activities within the scope of their responsibilities. The general requirements of antitrust laws prohibit any agreement or discussion to restrict trade between competitors. Among the specific prohibitions that are in particular sensitivity and relevance are the following:

- Agreeing to fix or regulate prices, markups, or the conditions of the terms of sale, either at the wholesale or retail level for suppliers to manufactures, or for manufacturers to dealers.
- Agreeing to establish geographical trading areas, allocating markets or customers, or classifying certain customers as being entitled to preferential treatment.
- Participating in any plan designed to induce any manufacturer or distributor to sell or refrain from selling, or to discriminate in favor for or against any particular customer or class of customers.
- Agreeing to limit or restrict the quantity of supplier products, mobile offices, or modular structures produced.
- Participating in any plan which has the effect of discriminating against or excluding customers.
- Agreeing to establish or limit the terms of credit or financing for mobile offices and modular structures.
- Agreeing or participating in any plan to refuse to deal with potential customers of

- suppliers without a sound business justification.
- Agreeing to standardize services, products, or financing, provided to end users.

This is only a general outline of the areas that illustrate antitrust dangers in discussions among competitors and between sellers and their customers.

In addition to these specific guidelines, all members of MBI meetings should adhere strictly to the agenda and should not discuss subjects of double legality. During meetings, there should not be recommendations about “sensitive” antitrust subjects, those that relate to price, products, markets, and the selections of customers and suppliers. Prices should not be discussed at all. When prices and costs are to be mentioned, only a general reference to past pricing and cost data are permitted. No discussion can occur about current or prospective prices, costs, and how other individual member companies conduct their business.

## MODULAR BUILDING INSTITUTE INDUSTRY CODE OF CONDUCT

### Purpose:

1. To encourage and promote high standards and conduct in the marketing and manufacture of structures in the commercial modular construction industry.
2. To identify and resolve problematic and unprofessional behavior at its earliest stages among MBI members.
3. To add value to MBI membership by providing a resource for expectations of professional conduct.

The Modular Building Institute has adopted these articles to promote and maintain high standards of professional service and business conduct among its members and the industry.

A member shall not give or accept gifts from suppliers, customers or other business associates that create the appearance that the gift giver is entitled to preferential treatment, an award of business or better pricing.

A member shall not give or accept gifts of cash, gifts prohibited by law, or gifts given as bribes, kickbacks or to secure an improper business advantage.

A member shall not give or receive gifts in the form of services or other non-cash benefits, such as the promise of employment.

A member shall not knowingly misrepresent information concerning his or her financial and professional business background.

A member shall not knowingly make misrepresentations about his or her company, competitors or the association.

A member shall not knowingly make misrepresentations about his or her products or services.

Member Pledge:

As a member of the Modular Building Institute, we pledge:

To improve individual competence and advance the knowledge and proficiency of the commercial factory-built structures industry through continuing education and learning opportunities.

To promote greater awareness of modular construction methods and practices.

To treat suppliers, manufacturers and vendors in a professional manner and as part of the project team.

To promote safety and quality in our projects and within our company.

To participate to the best of our ability in the promotion of the industry.

To adhere to honesty and integrity and to generally accepted principles of professional conduct.

To adhere to the articles of the Code of Business Conduct as adopted by the governing Board of the Modular Building Institute.

On behalf of MBI Member Company \_\_\_\_\_

I, \_\_\_\_\_, (company's primary contact) have received, reviewed and acknowledged the industry code of ethics and conduct and agree to adhere to these codes. I understand that if my company is found in violation of these codes, MBI may take action against my company including expulsion from MBI membership.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## **I. MEMBERSHIP**

1. Membership is open to any firm or corporations engaged in the commercial modular construction industry as described in the definition of the industry contained in the bylaws of the organization.

### **2. Voting**

- a) Each member firm or corporation shall appoint a person to be its representative in the Institute and who shall represent, vote, and act for the member in all affairs of the Institute. Each member is entitled to one vote on such occasions.
- b) Acceptance of Members: Any company eligible for membership under the bylaws shall submit a signed application, on a form approved by the Board of Directors. Such application shall be accompanied by the appropriate dues payment. Each application shall be considered by the Business Development Committee, which will make recommendations to the Board of Directors at its next regularly scheduled meeting, or at any special meeting of the Board. The board may accept the Committee's recommendation by a simple majority vote, deny the recommendation or ask for additional information on any applicant. Applicants whose applications are accepted shall become members upon payment of the required dues and fees.
- c) Expulsion of Members: New or Renewing members may be rejected for membership by a two-thirds vote of the full Board of Directors. Before expelling any member or potential member against the member's wishes, the board must be certain that the reasons for expulsion are legitimate and not anticompetitive. Reasons for rejection include but are not limited to,
  - (1) Evidence of substantial under reporting of revenues for the purpose of determining dues
  - (2) Prior documentable detrimental conduct from company and/or its principle specifically in violation of the MBI Code of Conduct. Evidence of prior detrimental conduct must be in the form of a formal written complaint of an ethics violation and appropriate action by the board. Any member rejected for membership for prior detrimental conduct must be notified of the board's decision in writing. Rejection forth in Section I(4) of membership for ethics violation must follow protocol set.

### **3. Duration of Membership and Resignations**

- a) Membership shall be continuous so long as member complies with all requirements of the bylaws.
- b) Membership in this Institute may terminate by voluntary withdrawal as herein provided, or otherwise in pursuance of the bylaws. All rights, privileges, and interest of a member in or to the Institute shall cease on the termination of membership. Any member may, by giving written notice of such intention, to the Secretary or the Board of Directors, withdraw from membership. Such notice shall be presented to the Board of Directors.

c) Withdrawals shall be effective upon such notice by the member. Obligations of the Members to the Institute prior to such date must be fulfilled.

d) No refund of pro-rated dues will be owed to any member withdrawing from membership prior to their anniversary date.

#### 4. Conduct Violations

Upon receiving a written allegation against a member, the MBI Executive Director will contact the accused member company with an alleged violation. The MBI Director will request a written response to the allegations. Any response or no response, will be referred to the MBI Board of Directors Executive Committee. The Executive Committee may appoint impartial members of the board to review the case and report back to the Executive Committee with recommendations. Recommendations may include taking action, or no action against the company including:

Making company and representatives inactive from MBI, thereby removing the company and representatives from online directory and from receiving leads.

Prohibit the company from having representatives on the MBI Board or its affiliates.

Suspend or expel the member company from MBI.

Any action taken by the board towards a member company may be appealed by that company with a written request to appear before the board at the next scheduled meeting. Upon hearing such appeal, the Board of Directors will take any final actions in the matter.

#### 5. Dues

a) Yearly dues for the Institute shall be set by the Board prior to October 1st of the preceding year.

b) Payment of dues shall be made by January 31st of each year. Any hardship cases shall be approved by the Board.

c) Any member of the Institute shall be delinquent in dues or special assessments after January 31st and the member may be dropped from the membership rolls and not published in the annual membership directory. The member may be reinstated by the Board immediately upon the proper settlement of the member's account. Additionally, MBI's records will reflect that the member's join date will be the reinstatement date rather than the previous join date, meaning that their membership recognition will be determined in terms of consecutive years rather than cumulative years.

#### 6. New Members

Acceptance of all new members has been delegated to the Board based upon recommendations from the Business Development committee.

## 7. Other

- a) Membership Roster: The Staff shall maintain an up-to-date roster and mailing list of all members.
- b) Prospect List: The Staff shall maintain a prospect list of potential members.

## II. OFFICERS AND BOARD MEMBERS

### 1. Selection of the Slate

The association shall petition qualified member companies of the MBI to solicit representatives to serve on the Board of Directors via electronic call for nominations to all members in the fall of each year, as well as by any other means necessary to ensure an adequate candidate pool.

The Nominations Committee (defined in Section III of this document) will consider the segment of industry the candidate represents, experience in the industry and commitment to the association's overall objectives.

The nominating committee will prepare a slate of directors, including officers, to present to the Board of Directors for approval. Once approved by the board of directors, the slate will be presented to the membership at the annual business meeting of the association for approval. Terms will commence immediately upon completion of the business meeting.

MBI Board members will be limited to two consecutive full terms, unless selected to serve on the Executive Committee by the board. Candidates should be reviewed with the following criteria in mind, understanding that exceptions may be made from time to time.

- a) A board candidate must be an employee of a company in good standing with the association before being considered. The member company must have been in good standing with the association for one year prior to the candidate's consideration. The individual should have at least five (5) years of industry related experience and must be granted full authority from their respective companies to vote on industry issues, and must have the support from their respective companies (financial and otherwise) that allows attendance to all regional, board and annual meetings. Selection and acceptance onto the MBI Board automatically designates an individual as the primary (voting) representative for a member company.
- b) No more than one (1) individual representative from a member company or affiliate may serve on the board at the same time. Candidates for the board must disclose if an affiliate relationship on the board exists.
- c) Selection of candidates should take into consideration the geographical location, size and type of the member company when determining board openings. MBI shall endeavor to have a representative mix of membership serving on the board of directors.

- d) Candidate should have at least one year of service to MBI prior to consideration. Service includes serving on an MBI committee, the educational foundation, or volunteering to present or speak at MBI conferences and events.
- e) In an effort to maintain a balanced and representative board, and to encourage further participation by all members, a board member indicating a desire to serve a second full term is not automatically guaranteed a second term, but will be considered with respect to any other candidate indicating interest and otherwise qualified.

Election of the Board and Officers: At the general business meeting of the association during the Annual Convention, the President shall call on the Chair of the Nominating Committee or their appointee to give the report of the Nominating Committee. The President shall then ask for a motion to accept the entire slate as presented, the motion seconded, and a vote of the membership to complete the election. If the entire slate is rejected, the President shall ask for a motion to approve each candidate individually. This process will continue until a board of directors meeting the minimum qualifications is elected by a majority of members present at the annual meeting.

2. Reimbursement of Expenses. There will be no reimbursement of expenses for Officers and Board Members unless specifically approved by the Board.

3. Term of Office. The term of office for Directors shall be two years and run from annual convention to annual convention. The board members' terms shall be staggered with approximately half ending on odd years and half on even years to ensure continuity

4. Vacancies. The Board of Directors may, by majority vote, fill any vacancies created by a departing board member for the remainder of that board member's term. It is not a requirement to fill the vacancy with another individual from the same company. The board should seek the best qualified candidate to fill the vacancy. The board should also ensure that the candidate meets the same criteria established by the nominating committee for selection of board members.

## 5. Board of Director Meetings

- a) The Board of Directors shall meet a minimum of three times annually with one meeting taking place at the Annual Convention. Other meetings may be called as necessary by the President of the Association.

Board meetings are open to all members in good standing with only Board Members having the right to vote. The meetings shall be in accordance with Roberts Rules of Order. The President shall vote in case of a tie, and the Executive Director is a non-voting Board position. Voting must take place during the board meetings, unless it is an action item which needs immediate attention. If this is the case, voting may be accomplished via e-mail or by any other electronic means as directed by the President and in compliance with all governing laws and regulations.

- b) Agenda. An agenda shall be developed by the President and Executive Director and mailed or e-mailed to all Board Members at least one week prior to each board meeting.

- c) Attendance. Board Members are expected to attend all meetings. Those unable to attend a Board meeting are required to notify the Executive Director in writing stating the reason. Board members missing two consecutive meetings without notice will be subject to removal from the board under the terms of the bylaws.
- d) Representation. The Staff shall be represented at all Board meetings.
- e) Minutes. Minutes will be prepared by the Executive Director. The minutes will be mailed or emailed to the Board prior to the next scheduled Board meeting.
- f) Orientation. The Executive Director shall prepare an orientation packet for each new board member to be sent out prior to the Annual Convention.
- g) Incoming Board Members. Incoming Board Members will begin their term with the Board meeting held during the Annual Convention.
- h) Proxy. Proxy voting shall not be allowed.

### **III. COMMITTEES**

#### **1. Standing Committees**

##### **Definition:**

A committee formed from members of the Board of Directors, and in some instances can include members at large. These committees are ongoing from year to year and focus on accomplishing both the immediate and long term needs of the Association.

All committees shall be comprised of volunteer board members, with the Chair appointed by the President at the first Board Meeting during the Annual Convention. The term of each Chair shall be one year, unless otherwise noted.

Executive Committee. Chaired by the President, consisting of the President, Past President, Vice President, Vice President Elect, Treasurer, Secretary, and Executive Director (non-voting).

Finance & Audit. Chaired by the Treasurer, consisting of the treasurer and at least one other board member not serving as officers. At the President's discretion, the committee may include non-board members as well.

The following Committees shall be comprised of volunteer board members and members at large as defined in the by-laws, with the Chair position filled by specific members of the Board of Directors. Chairs of the Executive Committee and Finance Committee may not serve as chairs of another committee or council.

- Business Development
- Public Relations
- Professional Development
- Nominations

- Government Relations
- Strategic Alliances

Outstanding Achievement. Chaired by the immediate past recipient still active in the industry.

Except where prohibited in bylaws, committees may be added or deleted at the discretion of the Board of Directors.

2. Action Committees may be formed by the board Chair consisting of volunteer members of the Board of Directors and may include members at large. These groups (also known as a task force) focus on short term, specific needs of the Association and membership, generally responding to emerging issues and trends. An Action Committee will be dissolved once the goals have been achieved, or it may become a Standing Committee if the needs it serves require ongoing management.

### 3. Members Responsibilities to Committee

All Board Members are required to serve on at least one Committee or Council and are expected to:

- Review all relevant material before committee meetings. Make contributions and voice objective opinions on issues.
- Actively participate in committee meetings.
- Carry out individual assignments made by the Committee Chair.
- Work as part of the Committee and staff team to ensure that the committee develops policies, products and services to benefit the membership.
- Represent the Committee in meetings and other Institute groups.
- Promote clarity within the Committee on its role and how it supports the interest of the Institute.

## D. Committee Roles and Responsibilities

### 1. Executive Committee

Definition (per bylaws Article VII(1)):

The Executive Committee consists of the officers of the Association and may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting. The Committee will be comprised of the immediate Past President (non-voting), President, Vice President, Vice President Elect, Secretary, Treasurer, and Executive Director (non-voting). Each year the President shall serve as Committee Chairperson. The Chairperson will serve a one year term. Terms of Committee members will be set in accordance with the bylaws to assure continuity in the actions of this Committee.

Purpose:

The Committee plays an important role in the Association by maintaining continuity through succession. They may exercise the powers of the Board of Directors when the Board of Directors is not in session, reporting to the Board of Directors at its succeeding meeting any action taken. The Executive Committee is solely responsible for performance evaluation and negotiation of the

Executive Director within the approved budget established by the board of directors.

Three (3) voting members shall constitute a quorum for the transactions of business. Meetings may be called by the President or by two (2) voting members of the Executive Committee. Any decision or transactions of business made by the Executive Committee on behalf of the Board of Directors should be a unanimous by the member of the Executive Committee. Any decision or transaction of business that does not have unanimous vote will go to the full Board for approval.

## 2. Finance & Audit Committee

### Definition:

The Finance & Audit Committee is chaired by the Treasurer and consists of at least one member of the Board of Directors not serving as an officer. At the treasurer's discretion, the committee may include non-board members as well.

### Purpose:

The Finance & Audit Committee monitors and manages the financial position of the MBI, reviews and recommends for approval the annual budget, ensures all tax returns and audits are completed, reviews liability coverages, and works to ensure the financial stability is sustained and in accordance with the annual budget. The chair of the finance committee also serves as the association's compliance officer responsible for investigating and resolving all internally (staff) reported complaints and allegations concerning violations of the Code or other allegations as set forth in the company's "Whistleblower Protection" Policy as set forth in the personnel manual.

*SEE ALSO SECTION V. – FINANCIAL MANAGEMENT*

## 3. Business Development Committee

### Definition:

The Business Development Committee is comprised of volunteer members of the Board of Directors and Members At Large with a Chair appointed by the President to serve a one-year term. It is recommended that this Committee have at least one Board member from each industry segment serving.

### Purpose:

The Business Development Committee will make recommendations and develop programs consistent with the MBI resources and long-range plans. The Committee will monitor membership activity and will work to increase the membership base.

*SEE ALSO SECTION VIII. MEMBERSHIP*

## 4. Public Relations Committee

### Definition:

The Public Relations Committee is comprised of volunteer members of the Board of Directors and Members At Large, with a Chair appointed by the President for a one-year term.

**Purpose:**

Public Relations Committee monitors and manages areas relative to public awareness, image, branding, and marketing of the Association and the Industry.

**5. Professional Development Committee**

**Definition:**

The Professional Development Committee will be comprised of volunteer members of the Board of Directors and Members at large.

**Purpose:**

The Professional Development Committee is responsible, for all training activities to support the professional development and growth of industry participants.

**6. Nominating Committee**

**Definition:**

The Nominating Committee will be comprised of the following individuals: The Executive Director (non-voting), The Past President (voting), The Vice President (Chair, voting), and two other board members not serving on the Executive Committee (both voting members). The selection of the two board members to serve will be at the sole discretion of the current chair and will be completed within thirty (30) days prior to the call for nominations.

**Purpose:**

The purpose of the Nominations Committee is to prepare the slate of Board of Directors for the upcoming year to be submitted to the MBI Board of Directors for approval not later than December 31st of the current year.

**7. Government Relations Committee**

**Definition:**

The Government Relations Committee is comprised of volunteer members of the Board of Directors and members at large with a Chair appointed by the President to serve a one-year term. It is recommended that the Committee have substantial representation from all sectors, and that the members cover as wide a geographical area as possible.

**Purpose:**

The Government Relations Committee monitors all activity within the industry relative to, rules, regulations and laws either in force, or under consideration, that have a direct effect on the ability of the membership to conduct business.

The committee shall have authority to recommend whether or not to hire professional assistance and the percentage of commitment MBI will fund, from 0 to 100%, within pre-approved G.R. budget guidelines. MBI staff will contact stakeholders with committee recommendation and seek firm commitments for any shortfall in funding and communicate the funding plan back to the government affairs committee prior to engagement. The plan will be communicated to the MBI board at the next scheduled meeting.

## 8. Strategic Alliances Committee

### Definitions:

The Strategic Alliance Committee is comprised of volunteer members of the Board of Directors as well as members at large with a chair appointed by the President of the Board.

### Purpose:

The Strategic Alliance Committee will identify various organizations and agencies in an effort to develop mutually beneficial relationships for the purpose of advancing the mission of the association.

## 9. Outstanding Achievement Committee

### Definition:

The Outstanding Achievement Committee shall be comprised of the former winners of the award active in the industry. Only former recipients still active will be eligible to vote.

### Purpose:

The Committee will meet to consider candidates for this prestigious award via email and / or teleconference. A scorecard will be compiled on each nominee based on the following criteria:

Individual service to the association shall constitute fifty percent of the award criteria, with twenty-five percent consideration given to service on behalf of the industry, and twenty-five weight given to other intangibles such as corporate support of the association, willingness to provide feedback on issues, encouraging others to participate, and the committee's overall perception of the candidate's ethics and character.

After assessing each scorecard, past recipients will be asked to submit their vote in writing to MBI. MBI will tabulate the votes and coordinate a conference call with past recipients to discuss and make the final selection.

The award may be given to a previous recipient if that person's contributions to the industry and the association since receiving their prior award merit consideration.

## IV. COUNCILS

### 1. Purpose:

Councils serves as an advisory board on matters of importance to MBI members doing business in a particular geographic region or interest area. It is anticipated that councils will meet at least once annually in person to provide input and advice to the MBI Board of Directors. The council may also meet via conference call as deemed necessary throughout the year. MBI staff will facilitate meetings and calls and will provide support and attend meetings when possible.

The purposes of Councils:

- To provide additional leadership opportunities within MBI for members.
- To serve as an advisory board to MBI to ensure we are understanding our members' needs.

- To serve as forums for best practices and networking activities to be delivered more effectively by MBI.

The Council will be made up of a minimum of five MBI members including any current board members interested in participating. Participation in a council is voluntary and to the greatest extent possible, member-driven. Each council shall select a chair and vice chair for the purposes of conducting meetings and reporting back to the MBI Board of Directors. Council participation is only open to MBI members in good standing.

Actions taken by a council are not binding until voted upon by the MBI Board of Directors.

2. Creation of New Councils. Any member may petition the MBI Board for the creation of a new council. New councils are created by a majority vote of board members present at a regularly scheduled meeting where a quorum is present.
3. Dissolution of Existing Council. The Board of Directors may vote to dissolve any council for any reason or no reason whatsoever. Dissolution of an existing council requires a two-thirds vote of the board members present at a regularly scheduled board meeting.

Relocatable Buildings Council – serves as an advisory council on matters of importance to the lease fleet industry. It is anticipated that this council will meet 2-4 times annually to provide input and advice to the MBI Board of Directors.

Permanent Modular Construction Council - serves as an advisory council on matters of importance to the permanent modular construction industry. It is anticipated that this council will meet 2-4 times annually to provide input and advice to the MBI Board of Directors.

Canadian Council – The Council serves as an advisory board on matters of importance to MBI members doing business in Canada. It is anticipated that this council will meet at least once annually in person to provide input and advice to the MBI Board of Directors.

European Council – The Council serves as an advisory board on matters of importance to MBI members doing business in Europe. It is anticipated that this council will meet at least once annually in person to provide input and advice to the MBI Board of Directors.

South American Council - The Council serves as an advisory board on matters of importance to MBI members doing business in South America. It is anticipated that this council will meet at least once annually in person to provide input and advice to the MBI Board of Directors.

Owner/Developer Council - The Council serves as an advisory board on matters of importance to MBI members involved in the ownership or development of commercial properties. It is anticipated that this council will meet at least once annually in person to provide input and advice to the MBI Board of Directors.

Architect Council - The Council serves as an advisory board on matters of importance to MBI members involved with the design of commercial properties. It is anticipated that this council will meet at least once annually in person to provide input and advice to the MBI Board of Directors.

## **V. FINANCIAL MANAGEMENT**

1. Fiscal Year. The Institute's fiscal year is the calendar year.
2. Financial Records. The Institute's financial records will be maintained on an accrual basis.
3. Check Signing. The Executive Director will have the primary responsibility for signing checks after approval by the Treasurer. Bills will be paid in the following manner:
  - a) Coding and Approval by the Executive Director.
  - b) Send check register to the Treasurer for approval via e-mail, or by any other electronic means.
  - c) Executive Director to sign checks after confirmation and approval from Treasurer.
  - d) Non-budgeted items or items exceeding approved category/department budgets by more than 10% must be approved by the Board of Directors.
  - e) Accounts Receivable must be called on when 45 days past due.
  - f) Reimbursements shall be invoiced in the same manner.
  - g) Bank Statements: Copies of bank statements shall be made available to the Treasurer upon request.
  - h) All financial reports must be approved by the full board at least quarterly, with explanations for significant budget variances.
4. Financial Statements. Quarterly financial statements shall be prepared and circulated to the Board. These statements are available to any member upon request. The financial statements shall include profit and loss statements showing the latest quarter, year-to-date, and comparison to budget for each of these terms. In addition, a balance sheet and an accounts receivable aging summary shall be provided, along with other financial statements as requested by the Finance Committee.
5. Audits. A CPA at the conclusion of each year shall audit The Institute's records.
6. Taxes. The Institute shall file a 990 IRS tax return.
7. Membership Dues. The membership shall be billed for dues by October 1st for the upcoming year.
8. Revenues. Deposits of incoming revenues shall be made in a timely manner, not less than weekly. Invoices should be sent out within two weeks after expenses incurred.
9. Budget. A budget shall be prepared prior to the beginning of each year according to the following schedule: The Staff and Finance Committee shall prepare a draft budget between May 30th and October 31st of each year for approval by the Board prior to December 31st of each year.

## **VI. INSURANCE**

1. Directors and Officers Liability Insurance: Directors and Officers liability insurance in the minimum amount of \$1,000,000 shall be carried by the Institute.
2. General liability Insurance: General liability insurance in the minimum amount of \$1,000,000 shall be carried at all times.
3. Fidelity Bond: A fidelity bond shall be in force covering the Secretary/Treasurer and staff members in the amount of \$50,000.

## **VII. MEETINGS AND CONVENTIONS**

1. Annual Convention. There shall be an annual meeting of the Institute in the first calendar quarter of each year, or as close to the first quarter as is practical.

The purpose of this meeting is to provide an educational and networking forum for the membership. This shall also serve as the Annual Business Meeting for the Association, with the election of its new board of directors.

2. Regional Meeting.

Definition:

A regional meeting is a full or half day session, held regularly in geographical areas that have been targeted as having a high-level membership and/or potential membership, with good projected participation.

Purpose:

To provide a forum for members and prospects in selected regions to gather together to:

- a) Learn about current regional or national issues that affect the industry
- b) Learn about new products, technology or trends affecting either their business or the industry
- c) Network, share ideas or concerns
- d) Strengthen the Association.
- e) To provide a forum for the Board of Directors to meet and become familiar with member and non-member companies at the regional levels.
- f) To generate revenue for the Association.

## **VIII. PUBLICATIONS**

1. Member Connections Now: An on-line newsletter shall be prepared by the Staff on a periodic basis beginning in January.
2. Membership Recruitment Brochure. The Staff and Membership Committee shall prepare a membership recruitment brochure.

3. Directory. A membership directory shall be prepared and distributed each year. An electronic spreadsheet with member company name and address only will be made available upon request to any MBI member in good standing. No such lists will be made available to non-members.
4. MBI Events. The Staff shall prepare special notices and brochures for various Modular Building Institute events. A list of registered attendees will be made available only to registered sponsors and exhibitors upon request prior to the event. A printed attendee list will be made available to attendees at the event.
5. Annual Reports. Staff shall gather information and distribute annual reports for both relocatable buildings and permanent modular construction
6. Modular Advantage. An online electronic publication shall be prepared and distributed quarterly by MBI staff.

## **IX. SPOKESPERSON FOR THE INSTITUTE**

1. Executive Director. The Executive Director is the association's chief paid representative and serves as a non-voting officer of the association. The Executive Director reports directly to the Executive Committee for matters of contract negotiations, and emergency actions required. The Executive Director reports to any and all board members for matters pertaining to the governance, strategic vision, financial performance, and attainment of stated goals for association. Unless otherwise voted upon and approved by the Board of Directors, the Executive Director is the spokesperson for the association.

## **X. STAFFING**

1. Contracts. Contract negotiations shall take place periodically with annual performance evaluations of the management company by the Executive Committee occurring prior to the beginning of each calendar year.
2. The contract of the Management Company shall be negotiated by the Executive Committee and included in total staffing expense for Finance Committee and board review and approval.
3. Employment Terms. The Executive Committee shall have full authority to negotiate contracts and/or employment terms with the Management Company within approved budget limits. The Executive Committee shall also have the authority to enter into contracts with independent contractors for necessary services within approved budget guidelines.

## **XI. AWARDS**

1. Awards of Distinction. Members receive an award for each qualified entry judged a winner and honorable mention at the Annual Convention. Only MBI member companies supporting the Seals program are eligible. Additional awards for multiple affiliates and/or the owner may be ordered from MBI after the convention.

2. Outstanding Achievement Award. A plaque presented to an individual for meritorious service. The General Membership presents nominees to the Outstanding Achievement Standing Committee for selection.
3. Past President and Outgoing Board Members. A plaque presented to members at the end of their service to the Board.
4. Hall of Fame. Any member in good standing may nominate a candidate for Hall of Fame consideration. The MBI board will review and vote upon any and all nominees. This award is in recognition of the contributions of an individual or individuals whose careers are dedicated to our industry, or whose acts have had a significant impact on the careers of other involved. Selection for the recipients shall be made with the following considerations:
  - a) Longevity. An individual demonstrating a lifetime of dedication in our industry may not qualify on longevity alone but will be considered and evaluated on additional criteria below.
  - b) Corporate Citizenship. Recognition shall be made for those consistently demonstrating service to others in the industry or making significant achievements in the areas of social concern, or outstanding and consistent product quality. Service on the MBI Board of Directors in one example.
  - c) Success. Business and/or financial success that has the respect of those involved in the nominating process and selection.
  - d) Pioneer-Innovator. The Hall of Fame shall recognize those showing clear and original ideas advancing the industry and demonstrated by the adoption of others in the areas of:
    - Product design and engineering
    - Financial Management
    - Marketing concepts
    - Production methods and efficiency
    - Any other area involving industry competitiveness or success

This award will be given at the annual conference.

5. Executive Director's Volunteer of the Year Award. Recognizes a MBI member who has made significant contributions to the MBI and have demonstrated outstanding volunteer service through participation in and leadership of the Modular Building Institute programs and events and who have contributed countless unpaid hours. The recipient is selected by the MBI staff and is typically given to a non-board member volunteer.